

5/001/0063
Incoming

BLM Cedar City Field Office Site Inspection Report

Dec.1, 2009

File: UTU-80852; Blawn Mountain Kaolin Mine Project
Sandy Nell / Lone Star Mining

Inspector: Ed Ginouves, CCFO Mining Engineer

On Dec.1, 2009, I made an inspection of the Blawn Mountain Kaolin Mine project area, located at the summit of Blawn Mtn. The purpose of the inspection was to document site conditions, monitor plan compliance, and inspect recently completed earthwork reclamation of portion of the site. The previous site inspection was made on October 22, 2009, at which time the site was active.

The mine area is a re-authorization as a small surface mine of a bulk-sampling area at the same site (UTU-80525). The plan of operations was approved via letter dated October 6, 2003, which also closed out UTU-80525 as it was entirely superseded by the plan activity. The operator amended the plan in 12/2003 to add a temporary stockpiling area at the intersection of the Jockey Road and the Seeps Road. The original project bond of \$4,000, held by BLM, was released and replaced in Jan. 2005 by a \$14,000 bond held by DOGM. Early in 2007, the bond amount was increased to \$18,600 for the five acre mine site (to conform the bond amount to the latest DOGM reclamation fee schedule); an additional \$3,300 is held by the BLM to cover reclamation of the transfer area on the Jockey Road, which is not subject to DOGM bonding rules.

The weather was clear, mild and remarkably still. Site conditions were damp from recent snow melt and there were 1-2" of patchy snow in shaded areas and on north-facing slopes.

Inspection Findings:

The site was inactive. The mining contractor's rock crusher was at the stockpiling area along with a wheeled loader. There was also a Cat six-wheel drive, articulated haulage truck parked at a pull-off on SITLA land about a mile north of the stockpile area on the haulage road. There was no equipment whatsoever at the mine site.

As Mr. Nell had previously indicated to me via telephone, earthwork reclamation and seeding had been carried out on the summit bulk sampling area and on the southern ~ ½ of the mine site. The summit reclamation was carried out with a trackhoe and the mine site reclamation with a bulldozer and ripper. Surface texture of the hilltop area is entirely satisfactory; the mine site areas would preferably be rougher (pocking by trackhoe) but are probably adequate.

Some additional clay removals had occurred from the northeast corner of the mine-site, adjacent to where the access road enters the site. The gross disturbed footprint had not increased except for some material pushed or raveled down-slope at the perimeters of the mine site reclaimed areas. The principal remaining reclamation at the mine site will be the reduction of the western highwall.

I GPS surveyed the eastern /southern perimeter of the reclaimed mine site areas for comparison with the summer 2009 aerial photography. Photographs were taken and are attached.

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Panoramic view of mine site looking north from the southern edge of the disturbance. Foreground is bulldozer reclaimed south portion of the mine site. The pinkish band to the left of the vehicle is a zone of alunitic clay that is unminable due to excessive alkali metal content. The same zone lies ten feet behind the dark grey face to the left of the trackhoe. This face would be benched to create a reclaimable slope.

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Panoramic view of mine site looking south from the northern edge of the disturbance.

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Panoramic view of mine site looking easterly from the southwest edge of the disturbance.

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View of earthwork reclaimed ~1/2 acre unauthorized bulk sampling effort 1/4 mile to the northwest of the mine site on the summit of Blawn Mtn.

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Panoramic view of active mine area on northeast corner of the site.

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